



County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
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<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

June 17, 2010

To: All Department Heads

From: William T Fujioka
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

CONTRACTS WITH ARIZONA-BASED COMPANIES

On June 1, 2010, the Board of Supervisors adopted a motion to oppose Arizona's Senate Bill (SB) 1070 related to enforcement of federal immigration laws. In part, the Board directed the following:

- Direct the Chief Executive Officer (CEO) to suspend all travel to the State of Arizona for the conduct of County business unless the CEO finds that the failure to authorize such travel would seriously harm the County's interests; this ban is to be lifted upon the suspension or repeal of SB 1070;
- Direct the CEO, in consultation with County Counsel, to review the terms of all existing contracts with Arizona-based or headquartered companies and report to the Board in two weeks on how and within what time frame these contracts may be legally terminated, without causing undue harm to the County's interests;
- To the extent legally permissible and practicable, direct all County departments and all entities for which this Board is the Governing Body to refrain from entering into any new or amended contracts to purchase goods or services from any company based or headquartered in Arizona where there is no significant additional cost to the County. This directive shall be lifted upon the suspension or repeal of SB 1070; and
- Direct County Counsel, the CEO and the Director of Internal Services (ISD) to report back to the Board in two weeks with recommendations as to further Board action, including ordinance amendments, if any, deemed necessary to fully effectuate this resolution.

Other portions of the motion dealt with legislative, legal, and investment strategies to oppose Arizona SB 1070.

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Required Departmental Actions

This memo is to provide direction to departments to implement this Board motion.

Effective immediately, departments must suspend any County business travel to the State of Arizona unless authorized by this Office under the terms of the Board motion.

Also effective immediately, departments should refrain from entering into new or amended contracts to purchase goods or services from any company based or headquartered in Arizona. Exceptions to this restriction include situations that: (1) are legally impermissible or impractical, (2) result in significant additional costs to the County or (3) are pre-approved by this Office. In communications with Arizona-based contractors, departments are cautioned not to initiate actions beyond those identified in the Board motion, nor should they attempt to direct contractors in their business operations that are unrelated to County contracts.

Departments have been surveyed to preliminarily identify their contracts with companies that are based in Arizona. This preliminary survey was based on eCAPS payments to Arizona addresses during the last five years. ISD is now working with the remaining departments to finalize their survey responses. For any identified Arizona contracts, departments must provide the contract documents and related materials to the Deputy County Counsel assigned to advise the department on contract matters for review by no later than Wednesday, June 23, 2010. If necessary, departments may contact Assistant County Counsel, Joyce Aiello at (213) 974-1835 for assistance in identifying or contacting the appropriate County Counsel attorney to perform the contract review. Departments should not take action to terminate contractual relationships without first consulting County Counsel.

To determine if there are additional Arizona-based contractors that were not identified in the preliminary survey, departments will be required to research their other active contracts to identify Arizona-based vendors, and provide any such contracts to County Counsel for review. ISD is evaluating electronic search capabilities to limit the scope of this review where possible, and will provide additional instructions to departments during the week of June 21, 2010.

If you have any questions, please have your staff contact Ellen Sandt, Deputy Chief Executive Officer at (213) 974-1186 or via email at esandt@ceo.lacounty.gov.

WTF:ES:TT:
JJ:GS:cg

c: Each Supervisor
Executive Office, Board of Supervisors
County Counsel
Internal Services